

5 May 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Bearish

USD/MYR opened just above its flatline at 4.2570 but gapped down to trade at 4.2085 at the point of writing. Daily outlook is bearish as Asian currencies started the week on a firmer note, with TWD and MYR continued to lead gains against the Dollar on calming US-China trade tension, the MYR with added boost from a risk-on environment. That said, the pair is oversold and the upside surprise in US non-farm payroll last Friday, will likely lend some support for USD and capping losses for this pair today. This week, investors will monitor FOMC's meeting statement closely for clues on Fed's next move especially with the solid labour print, while domestically, all eyes will be on the special parliament session to address US tariffs today, followed by BNM's OPR decision later in the week.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral on USD/MYR, as we expect investors to continue to tread cautiously despite thawing US-China trade tension, in a tug of war between nervousness over growth and concerns over rising press pressures from the recent slew of tariffs. At the point of writing, labour market indicators have remained resilient albeit cooler, giving the central bank leeway to assess the impact from the tariffs and lending continuous support for the Dollar for the next month. We nonetheless expect a pulling back in the second half of the year with the impact from the tariff hikes more profoundly felt, in line with our expectations for three 25bps rate cuts this year, and a softer Dollar towards end-2025. On the domestic front, we expect the BNM to maintain its OPR rate to fully assess the development and impact from the new tariffs to the economy, as such, continuously lend some support MYR for the next month. However, any dovish shift at the May MPC meeting may have some knee-jerk repercussions on MYR movement.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1272	4.2047	4.2085	4.3083	4.3597

USD/SGD

USD/SGD Slightly Bearish

USD/SGD opened 0.13% higher at 1.3013 before making a sharp retreat to 1.2928 at the point of writing. Daily outlook is slightly bearish as PAP's solid win in the election will likely be a boon for SGD assets today. That said, the pair is near oversold, likely to cap losses for this pair today at 1.2897 (S1)



	S2	S1	Indicative	R1	R2
USD/SGD	1.2797	1.2897	1.2928	1.3111	1.3225

MYR Crosses

SGD/MYR

SGD/MYR Slightly Bearish

SGD/MYR opened 0.16% lower at 3.2819 before sliding to 3.2555 at the point of writing. Daily outlook is thus slightly bearish, with losses likely capped given that the pair is oversold and as investors await Singapore retail sales print due to be released later today, closely followed by the S&P PMIs tomorrow.

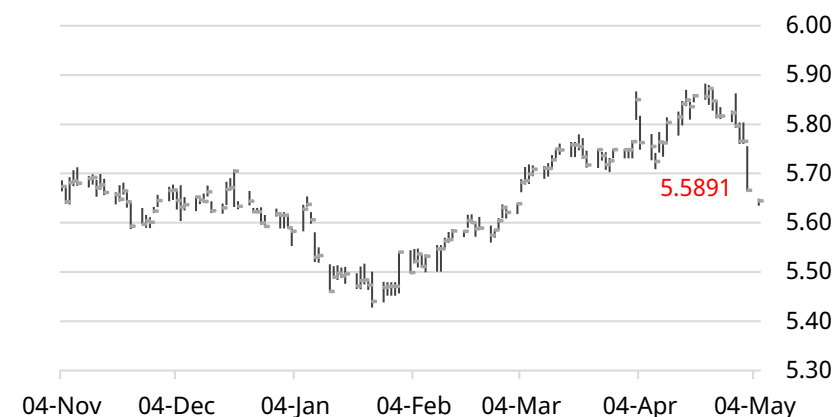


	S2	S1	Indicative	R1	R2
SGD/MYR	3.2304	3.2461	3.2555	3.3052	3.3231

GBP/MYR

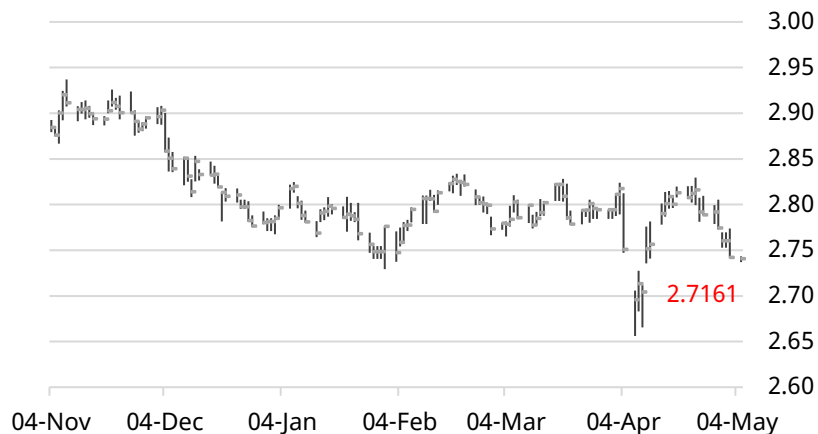
GBP/MYR Bearish

GBP/MYR opened 0.30% lower at 5.6488 and plunged to 5.5891 at the point of writing. Daily outlook is bearish but the pair is oversold and GBP/USD trended up to 1.3290 at the point of writing, likely to cap losses for this pair today. As it is, we expect GBP/USD to largely trade sideways between 1.31-1.34 this week ahead of BOE's decision, where a 25bps rate cut is expected.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.5129	5.5317	5.5891	5.7261	5.7865

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.03% higher at 2.7429 but made a sharp U-turn to 2.7161 at the point of writing amid MYR strength. Daily outlook is neutral-to-slightly bearish because of this, but losses likely negated as Albanese's landslide win over the weekend is expected to lend support to AUD today. AUD/USD was seen strengthening to 0.6463 at the point of writing.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.6873	2.6988	2.7161	2.7634	2.7848

Source: Bloomberg, HLBB Global Markets Research

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